

WEEKLY FINANCIAL MARKET REVIEW

29th September – 3rd October 2025

NIGERIA ECONOMIC DASHBOARD

Current

Previous

	Current	Previous	
01 Brent crude (\$/pb)	\$65.43	\$70.02	▼
02 NAFEM Rate (N/\$)	\$1,469.00	\$1,480.00	▼
03 Inflation	20.12%	21.88%	▼
04 GDP growth	4.23%	3.13%	▲
05 MPR	27.00%	27.50%	▼
06 NGX cap (N'trn)	91.14	89.96	▲
07 External Debt size (\$'bn)	45.98	45.78	▲
08 Ext. reserves (\$'bn)	42.41	42.22	▲
09 Unemployment	4.30%	5.30%	▼

GLOBAL ECONOMY & MARKETS



US: Services sector stalls as manufacturing shows signs of recovery

- The services sector contracted in September with the ISM Services PMI sliding to 50 from 52 in August, below expectations of 51.7. Business activity stalled (49.9 vs 55) and new orders (50.4 vs 56) slowed sharply, while inventories also slipped into contraction (47.8 vs 53.2). Hiring remained weak at 47.2, held back by delayed recruitment and a shortage of skilled staff. At the same time, cost pressures flared up, with the prices index jumping to 69.4, the second highest since late 2022, while supplier deliveries (52.6 vs 50.3) pointed to growing delays.
- Meanwhile, the ISM Manufacturing PMI ticked up to 49.1 in September from 48.7 in August, slightly above forecasts of 49.0. Though the sector has now contracted for seven straight months, September's index was the strongest. Production reversed in momentum (51.0 vs 47.8), as new orders (48.9 vs 51.4) and employment (45.3 vs 43.8) stayed weak. Input costs also eased (61.9 vs 63.7) but remained high, with firms attributing the current trends to tariffs, softened demand, and delayed capital spending as key challenges.

Europe: Eurozone inflation rises above ECB target as economic sentiment edges up

- Inflation in the euro area rose to 2.2% year-on-year in September 2025, up from 2.0% in the previous three months and just above the European Central Bank's 2.0% mid-point target. The increase was mainly driven by a smaller drop in energy costs, while services inflation edged up to 3.2% and food, alcohol and tobacco prices slowed to 3.0% whereas core inflation held steady at 2.3%, its lowest since early 2022. On a monthly basis, the CPI rose 0.1%, unchanged from the previous month, below the long-term average of 0.18%.
- Amidst the increasing price pressures, the Euro Area Economic Sentiment Indicator inched up to 95.5 from 95.3, slightly above market expectations as a result of marginal improvement in consumer confidence (-14.9 vs -15.5) and construction sentiment (-3.5 vs -3.6). However, industry (-10.3 vs -10.2), services (3.6 vs 3.8), and retail confidence (-7.7 vs -6.4) recorded declines. Among major economies in the area, sentiments declined in the Netherlands (99.9) and Germany (89.3) but strengthened in Spain (104.7), Italy (99), and France (93).

Asia: Japan's unemployment rate rises to a 13-month high amid stronger consumer sentiment

- The unemployment rate in Japan rose to 2.6% in August 2025 from 2.3% in July, the highest in 13 months and the first increase in five months. This rise was largely driven by a 13.2% jump in voluntary job leavers to 770,000. Following this, the job availability ratio dipped to 1.20, due to an increase in average minimum hourly pay to 1,121 yen (\$7.60) for the current fiscal year starting, which is 6.3% higher than the previous year. This signals that firms have grown more cautious about higher operating costs and difficulty passing price increments to consumers.
- Despite the headwinds in the labor market, consumer sentiment strengthened to its strongest level since December 2024, as the confidence index rising to 35.3 in September with improvements in household livelihood (33.2 vs 32.7), employment outlook (39.9 vs 39.3), willingness to buy durable goods (28.8 vs 28.0). Income growth expectations, however, held at 39.4 points highlighting cautious optimism among households.

Africa: Kenya economy expands as inflation edges higher

- Kenya's economy grew by 5% year-on-year in Q2 2025, slight rise from the 4.9% recorded in the previous quarter. The growth in the economy was driven by agriculture expanding by 4.4%, supported by stronger output of coffee, vegetables, fruits, cut flowers, and milk. Other key sectors also posted solid growth, including transport and storage (5.4% vs 3.8%), finance and insurance (6.6% vs 5.1%), accommodation and food services (7.8% vs 4.1%), professional and administrative services (8.5% vs 4.6%), and ICT (6% vs 5.8%). On a quarterly basis, the economy also reflected growth as GDP rose 1.2%, building on the 0.8% growth in Q1.
- Meanwhile, inflation ticked up for the third consecutive month, reaching 4.6% in September 2025 from 4.5% in August, its highest level since June 2024. The main driver of the inflationary pressure was food and non-alcoholic drinks, which represents a third of the inflation basket, which rose further to 8.4%, up from 8.3% in the prior month. Other notable drivers include transportation (4% vs 4.4%) and housing & utilities (1.4% vs 0.8%). Despite the increase in price pressures, inflation levels remains within the Central Bank of Kenya's 2.5%–7.5% target range causing policymakers to adopt a cautious stance to enable stable growth and hedge against external shocks.

US Market

- For the week, the major U.S. indexes closed positive, the S&P 500 was up by 1.08% to close at 6,715.78, the blue-chip Dow Jones Industrial Average was up by 1.13% to close at 46,770.50, while the tech-heavy Nasdaq Composite rose by 1.15% to close the week at 24,785.52.
- Investors have been overlooking anxieties surrounding the government shutdown, which entered its third day Friday. While the stoppage has exacerbated underlying concerns this year about macroeconomic and policy headwinds, inflation risks and a slowing labour market, investors expect it to be short-lived, thereby limiting potential hits to the U.S. economy. Those on Wall Street also believe that the shutdown won't stop the momentum in the artificial intelligence trade. Shutdowns have not been market-moving events in the past.
- The shutdown has led to an economic data blackout, and the Labor Department's pause on virtually all activity has blocked the Friday release of the September nonfarm payrolls report. Adding to ongoing concerns regarding the jobs market, President Donald Trump has threatened massive layoffs and said Thursday that the Democrats have given him an "unprecedented opportunity" to cut federal agencies.

European Market

- European stock rallied for the week. On a week-on-week basis, the U.K.'s FTSE 100 gained 2.22% to settle at 9,491.25, Germany's DAX rose by 2.69% to close at 24,378.80, France's CAC 40 grew by 2.68% to close at 8,081.54 and the pan-European Stoxx 600 index also closed in the green by 2.87% to 570.46.
- Investors across the globe continued to monitor the U.S. government shutdown, which entered its third day on Friday. U.S. Treasury Secretary Scott Bessent told CNBC in an interview on Thursday that the shutdown could hurt America's economic growth.
- Back in Europe, regional leaders congregated in Copenhagen earlier this week to discuss the possibility of building a drone wall to deter Russian aircraft from violating airspace on the continent.

Asian Market

- Most Asian stocks rose week on week. Hong Kong's Hang Seng Index rose by 3.88% and closed at 27,140.92, the Kospi index was up by 4.82% to close at 3,549.21 and Japan's Nikkei 225 gained 0.91% to settle at 45,769.45. However, the Topix fell by -1.82% to close at 3,129.17.
- Shares of Japanese conglomerate Hitachi closed over 10% higher Friday after it announced late Thursday a partnership with OpenAI to build artificial-intelligence infrastructure and data centers globally. The country's unemployment rate rose to 2.6% in August, government data showed Friday, higher than the 2.4% expected by economists polled by Reuters and the 2.3% rate in the prior month.

DOMESTIC ECONOMY & MARKETS



Nigeria's money supply rises to N119.52 trillion in August 2025

- In August 2025, Nigeria's broad money supply rose to N119.52 trillion in August 2025, a sharp increase from N117.4 trillion recorded in June 2025. This is according to recent data from the Central Bank of Nigeria (CBN). On a year-on-year basis, it surged from N107 trillion in August 2024, highlighting the persistent expansion of liquidity in the financial system despite concerns over inflationary pressures and exchange rate volatility. The growth in money supply was driven by increased foreign assets and higher quasi-money balances. Net foreign assets (NFA) climbed to N40.9 trillion in August 2025, marking an increase from N40.7 trillion recorded in June 2025. Additionally, net domestic assets (NDA) also rose during the same period, reaching N78.58 trillion in August, up from N76.8 trillion in June 2025.
- Quasi-money surged to N80.21 trillion as households and firms increasingly sought interest-bearing deposits amid persistent inflation and tighter monetary conditions. On the other hand, narrow money (M1) comprising cash in circulation and demand deposits remained relatively smaller at N39.30 trillion, indicating a preference for safer, bank-held funds rather than physical currency.

Credit to private sector drops to N75.8 trillion in August 2025

- According to the latest data from the Central Bank of Nigeria (CBN), credit to Nigeria's private sector fell to N75.8 trillion in August 2025 from N76.12 trillion in June 2025. This decline marks the fifth time in the year that lending to businesses and individuals has declined.
- According to the data, the credit to private sector peaked in April 2025, recording N78.1 trillion. This trend of declining credit began in February 2025 when total private sector credit fell from N77.3 trillion in January to N76.3 trillion. The downward movement continued in March, slipping further to N75.9 trillion. Although April witnessed a temporary rebound to N78.1 trillion, the gains were short-lived as credit declined again in May and June. In contrast, the year-on-year data shows an increase from N74.7 trillion in August 2024 to N75.8 trillion in August 2025.
- However, the repeated monthly declines in 2025 raise concerns over potential liquidity constraints, reduced lending appetite by banks, or waning credit demand from the private sector amid tight economic conditions.

Nigeria's business confidence rises to 107.9 points in September 2025

- Nigeria's business landscape sustained its upward momentum in September 2025, as the Current Business Performance Index climbed to 107.9 points, marking a 0.6-point increase from 107.3 points in August. This is according to the latest NESG-Stanbic IBTC Business Confidence Monitor (BCM). On a year-to-date basis, business performance between January and September 2025 is 20.0 index points higher compared to the same period in 2024 — an encouraging sign of resilience and recovery in Nigeria. The report shows that businesses have remained in the expansion zone since December 2024, reflecting continued optimism among Nigerian firms despite ongoing structural challenges.

Money Market

- System liquidity remained firmly positive during the week, with liquidity reaching a record high of ₦7.1 trillion on Thursday. In the same vein, the Standing Deposit Facility (SDF) also reached the highest utilization level on record of ₦6.1 trillion, underscoring the excess liquidity in the market. On the final trading day of the week, liquidity closed at ₦5.7 trillion, in contrast to ₦4.1 trillion from the prior week, highlighting increasing liquidity levels. Consequently, banking rates stayed stable, with the Open Buy Back (OBB) rate unchanged at 24.50% (flat), while the Overnight (O/N) rate gained slightly by 1 basis point and settled at 24.89% for the week.
- The market closed bearish in the Treasury Bills secondary market, shifting from the bullish movement in the prior week. As a result, yields gained marginally by 2.01 basis points, to eventually settle at 17.96%, higher than 17.94% recorded in the last week.
- The OMO Bills Auction conducted on Tuesday, 3rd October 2025 saw the CBN issue ₦600 billion worth of OMO bills. However, the bills were oversubscribed with subscription worth ₦3.32 trillion, translating to a bid-to-cover ratio of 1.49x. The Apex bank eventually allotted only ₦98 billion from the oversubscribed bids. The 88-day bill recorded no sale, while the 102-day bill and the 123-day bill closed at 20.49% and 20.61% respectively.
- In the OMO secondary market, bullish movement was recorded at the end of every trading session of the week. Consequently, the average benchmark yield closed the week lower at 20.59% (-88.63 bps) from 21.48%.

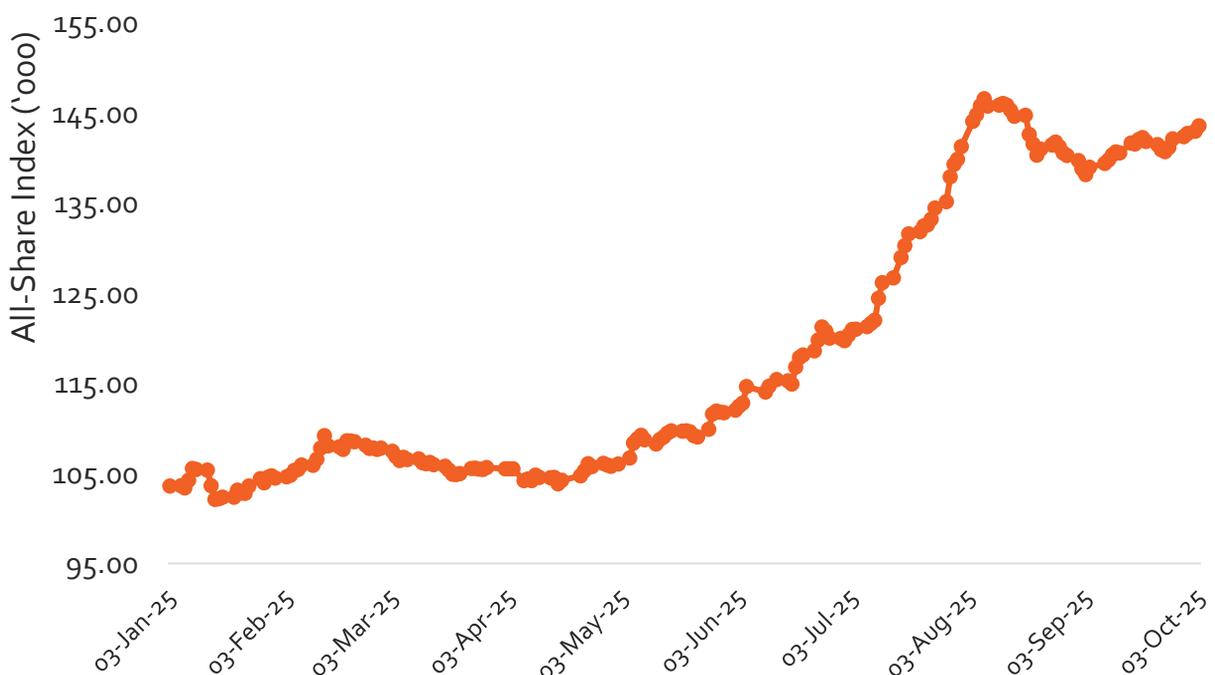
Fixed Income Market

- At the FGN Bond Auction conducted on Monday, September 29, 2025, the DMO reopened the FGN AUG 2030 bond, and the FGN JUN 2032 bond, offering a total of ₦200 billion worth of Bonds. The auction recorded an oversubscription, with the total bid received reaching ₦1.26 trillion. This translated to a bid-to-cover ratio of 2.19x, with the eventual allotted volume being ₦576.62 billion. Stop rates printed lower for both offerings. The FGN AUG 2030 5-year bond closed at 16.00% (-195 bps), while the FGN JUN 2032 7-year bond settled at 16.20% (-175 bps).
- The secondary bond market closed the week on a bullish note, extending the price rally from the prior week. Trading activity was notable in the short to mid end of the curve, reflecting investors' confidence in the market. Consequently, the average benchmark yield closed at 16.17% (-23.53bps) compared to 16.40% recorded in the previous week. In terms of tenor activity, short-term bonds closed at 16.64% (-37.00 bps), while mid-term instruments closed at 16.15% (-34.89 bps) and long-term instruments closed at 15.87% (+2.50 bps).

The Equities Market

- The market opened for four trading days this week as the Federal Government declared Wednesday October 1, 2025, as a public holiday to mark Independence Day celebration.
- The NGX All-Share Index and Market Capitalization appreciated by 1.02% and 1.31% to close the week at 143,584.04 and N91.135 trillion respectively.
- Fifty-three (53) equities appreciated in price during the week, higher than thirty-two (32) equities in the previous week. Forty-three (43) equities depreciated in price, lower than fifty-one (51) equities in the previous week, while fifty-one (51) equities remained unchanged, lower than sixty-four (64) recorded in the previous week.
- A total turnover of 8.403 billion shares worth N115.501 billion in 115,801 deals was traded this week by investors on the floor of the Exchange, in contrast to a total of 7.684 billion shares valued at N494.126 billion that exchanged hands last week in 116,645 deals.
- Sectoral performance was largely positive with Oil and Gas (+5.68%) leading the gainers, followed by Industrial Goods (+1.66%), Banking (+1.17%) and Consumer Goods (+0.13%). Insurance (-2.02%) was the only laggard for the week.
- In the review week, ETERNA (32.80%) was the top price gainer, followed by ENAMELWARE (20.94%), and PZ (20.87%). Conversely, JBERGER (17.79%), was on top of the loser's list. IEI (-11.08%), and UNIONDICON (-10.00%) were notable losers for the week.

NGX All Share Index - YTD



Source: NGX, Norrenberger Research

ISLAMIC FINANCE



Emirates Islamic pioneers fully digital supply chain finance solution 'Islamic smartSCF' in the UAE

- The first Shariah-compliant supply chain finance (SCF) solution in the United Arab Emirates, Islamic smartSCF, has been introduced by Emirates Islamic. By allowing them to get early payment on their bills, the platform helps suppliers and vendors of big businesses by enhancing their cash flow without having an impact on the buyer's balance sheet situation.
- Large organizations and suppliers alike benefit from the new solution's improved working capital management capabilities. While businesses can extend payment terms and preserve positive supplier relationships, suppliers gain from quicker access to liquidity and reduced profit rates. The technique enables suppliers to receive early payments on advantageous conditions by efficiently transferring the corporate's credit strength to them.
- Islamic smartSCF provides smooth processing and on-demand financing based on the requirements of each supplier. It is entirely digital and runs in real time. Given its Shariah-compliant structure, which guarantees that all transactions adhere to Islamic finance standards, it is a morally righteous and open financing choice. Furthermore, the program is balance sheet neutral, which provides advantageous accounting treatment because it does not show up as a financing liability for the company.
- Emirates Islamic is now the first Islamic bank in the United Arab Emirates to introduce a fully digital, Shariah-compliant SCF platform. The bank's action is in line with the UAE's overarching objectives of promoting economic diversity, sustainability, and innovation. Additionally, it addresses the growing need for financial solutions that uphold ethical corporate practices and ESG (environmental, social, and governance) principles.

NGX Lotus Islamic Index gains 2.13%

- The NGX Lotus Islamic Index posted a notable weekly gain of 2.13%, having opened at 11,731.06 points and closed at 11,981.46 points. The positive performance was primarily driven by significant gains in key constituents, notably ARADEL (+0.16%), BUACEMENT (+0.05%), NAHCO (+0.01%) and MTNN (+0.01%).

Sukuk trading report for the week

- A total of 9 deals were executed in the sukuk market via the floor of the exchange this week, in comparison to the 17 deals that were reported last week. A total of 15,806 units were traded, with a total value of N16.90 million, in contrast to the 70,696 units valued at N69.91 million transacted last week.
- The FGSUK2033S6 emerged as the most traded sukuk, having 5 deals executed, a volume of 10,300 units traded and a value of N11.21 million.

CURRENCY & ENERGY MARKETS



Currency Market

	03-Oct-25	26-Sept-25	W-o-W%
NAFEM (N/\$)	1,469.00	1,480.00	+0.75%
Parallel Market (N/\$)	1,454.00	1,506.00	+3.58%

- The naira has continued its positive streak this week, closing at ₦1,469/\$1 up from ₦1,480/\$1 the previous Friday; posting a 0.75% gain. This came even after a slight dip on Friday, when the currency cooled from its strongest level of the year at ₦1,464.85/\$1 a day earlier. The parallel market posted stronger gains with the naira appreciating by 3.58% to ₦1,454/\$1, narrowing the gap with the official rate. The recent stability is as a result of a steady rise in Nigeria's external reserves, now at US\$42.4 billion.

Commodities & Energy Market

Items	Gold (\$/t.oz)	Silver (\$/t.oz)	Coal (\$/T)	Cocoa (\$/T)	Soybeans (\$/Bu)
Weekly Performance (%)	+1.62%	+0.01%	+0.05%	-7.28%	+1.17

Nigeria's oil output drops by 16% during PENGASSAN's strike – NNPC

- The Nigerian National Petroleum Company Limited (NNPC Ltd) has revealed that Nigeria's oil and gas production dropped sharply during a brief nationwide strike by the Petroleum and Natural Gas Senior Staff Association of Nigeria (PENGASSAN), which ended on Wednesday after government-mediated talks with Dangote Refinery. This was revealed in a letter by the Group Chief Executive Officer, Bayo Ojulari, dated September 29, 2025.
- The strike, which began on September 28, was triggered by the dismissal of some workers at the Dangote Refinery, Africa's largest crude processing facility with a capacity of 650,000 barrels per day. Ojulari added that the industrial action has impacts that extend beyond the Dangote Refinery. He said the disruptions pose systemic risks to energy supply, personnel and asset security and the wider economy.



nörrenberger



Head Office

11 Volta Street,
Off Thames Street,
Ministers Hill, Maitama,
Abuja, Nigeria.



+234 700 066 7736



research@norrenberger.com



Lagos Office

2B, Bayo Kuku Road,
Off Alfred Rewane Road,
Ikoyi,
Lagos, Nigeria.

+234 916 032 4627



www.norrenberger.com



Port Harcourt Office

10, Evo Road,
GRA II, Port Harcourt,
Rivers State, Nigeria.

+234 700 066 7736



@norrenberger



Kano Office

17, Magajin Rumfa Road,
Nassarawa GRA,
Kano State,
Nigeria.

+234 700 066 7736

RESEARCH TEAM

Samuel Oyekanmi

samuel.oyekanmi@norrenberger.com

Victor Matthews

victor.matthews@norrenberger.com

Abigael Kazeem

abigael.kazeem@norrenberger.com

Damilola Oshinowo

damilola.oshinowo@norrenberger.com

Damilola Odesanya

damilola.odesanya@norrenberger.com

Uyomi Eya

uyomi.eya@norrenberger.com

Aisha Tanimu

aisha.tanimu@norrenberger.com

Disclaimer: Whilst proper and reasonable care has been taken in preparation and accuracy of the facts and figures presented in this report, no responsibility or liability is accepted by Norrenberger Financial Group or its employees for any error, omission or opinion expressed herein. This report is not an investment research or a research recommendation and should not be regarded as such. The information provided herein is by no means intended to provide sufficient basis on which to make an investment decision.